

THE EMPLOYEES SOCIAL SECURITY (AMENDMENT) ACT 1984

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Submitted in the partial fulfillment of the
requirements for the

MARA INSTITUTE OF TECHNOLOGY
SHAH ALAM
SELANGOR

6th June 1985

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PREFACE

The writer's aim in writing this project paper is to study the requirements, benefits and compensations provided under the statutory provisions of the Employees Social Security (Amendment) Act, 1984. The workers who satisfy the requirements and are injured during the course of their employment are eligible for compensation under the provisions of the Act. The Social Security Organisation (SOCSSO) is the body which administers and operates the social insurance scheme under the supervision of the Ministry of Labour and Manpower. This project paper also studies the administration of the Social Security Organisation. It also sums up the criticisms and recommendations made by workers and members of the public as regards the working of the Social Security Scheme.

Interviews were conducted with officers from the Social Security Organisation, Ministry of Labour and Manpower, insurance companies, the Industrial Court, workers and members of the public.

Research for this project paper was conducted at several libraries namely Perpustakaan Tun Abdul Razak at Mara Institute of Technology, the Social Security Organisation Library at Wisma Keramat, the University of Malaya Library and the Ministry of Labour and Manpower Library.

I would like to convey my deepest gratitude to Mr. Shad S. Faruqi of the International Islamic University, for being my supervisor and continual source of guidance.

Also, my greatest appreciation to Encik Mohamad Azam A. Samad, Director of the Social Security Organisation for his co-operation and assistance. My special gratitude to Encik Mohamad Fuad Redzuan, Manager of Social Security Organisation, Mr. Sreedharan, the Registrar of the Industrial Court, Mr. Edwin Cheah, an officer in the United Malaysian Insurance and Mrs. Teh, the librarian of the Ministry of Labour and Manpower Library.

CHAPTER 1

INTRODUCTION

What is Social Security?

"Social Security" is a scheme which is designed to provide for a comprehensive range of benefits which will help to compensate and protect the public against various contingencies which could occur during the course of employment.

Society is responsible to protect the workers especially in these days, whereby there is an increasing pace of industrialisation. This protection is essential to maintain an efficient workforce and to meet with the varied and complex needs of the labour force.

Social security is a foreign concept to all of us as it was borne out of the Industrial Revolution in Europe, which started in Britain in the middle of 1700.

Article 22 of the Universal Declaration of Human Rights states that everyone, as a member of society has the right to social security and is entitled to realisation through national efforts and international co-operation and in accordance with organization and resources of each state for economic, social and cultural rights indispensable of his dignity and the free development of his personality.

Social security is achieved by comprehensive measures to protect the public from economic distress. Those suffering from stoppage of earnings due to sickness, unemployment, old age and death will be given some measure of protection as needed.

This is because everyone has the right to a certain standard of living, which is at least adequate for the health and well being of himself and his family.¹ This usually includes food, clothing, housing and medical care, and, the necessary social services, which, might be needed in the event of unemployment, sickness, disability, widowhood, old age and obstacles beyond one's control.

Social security is very much needed for humanitarian reasons so that the destitutes and dependant survivors of the deceased need not live in poverty and destitution. The government has to help those people who are unable to make provisions for themselves and their family due to their disability or premature death caused by contingencies suffered in their employment. Social security, in a sense is actually a mechanism for transferring the financial resources from the working generation to those who cannot work because of their old age, disability or dependancy status.²

Due to the urgent and growing need for social security, a developing country, like Malaysia first started the social security scheme with a limited coverage due to the lack of resources. However, the ultimate objective was to provide adequate social security for the Malaysian public. This was finally achieved with the introduction of the Employees Social

1 Article 25 of Universal Declaration of Human Rights.

2 Smith, Peter : Industrial Accidents University of Nottingham, 1976